

**REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF LEON VALLEY, TEXAS,
JULY 3, 2007 AT 5:30 P.M.**

REGULAR CITY COUNCIL MEETING - 5:30 P.M.

The City Council of the City of Leon Valley, Texas, met for a Regular City Council Meeting on the 3rd day of July 2007 at 5:30 p.m., at the Leon Valley City Council Chambers, at 6400 El Verde Road, Leon Valley, Texas, for the purpose of the following business, to-wit:

Call to order and Pledge of Allegiance.

Mayor Riley called the meeting to order and asked that the minutes reflect that the following members of Council were present: Manea, Reyna, Baldridge, Dean and Nelson.

City Manager Lambert and City Secretary Feutz were also present.

Mayor Riley asked Councilmember Nelson to lead the Pledge of Allegiance.

**Convene into executive session in accordance with the Texas Government Code,
Section 551.074, "Personnel Matters" to discuss the City Attorney Services selection -
Interviews.**

Mayor Riley announced that Council would convene at 5:35 p.m. into executive session in accordance with the Texas Government Code, Section 551.074, "Personnel Matters" to discuss the City Attorney Services selection with interviews.

Reconvene into open session.

Mayor Riley announced Council would now reconvene into open session at 7:20 p.m. All members of Council were present.

City Attorney Jacobson, Police Chief Wallace, Fire Chief Irwin, City Accountant Wallace, and Assistant City Secretary/HR Officer Schendel joined the meeting.

Consider approval of minutes of the Regular City Council Meeting of June 19, 2007.

A motion was made by Councilman Reyna, seconded by Councilman Manea to approve the minutes of the City Council Meeting of June 19, 2007 as presented. Upon vote, the motion carried.

Presentation by the Leon Valley Rotary Club to the City of Leon Valley.

Leon Valley Rotary President John LeGris and Debbie Plant, Centennial President 2005, presented a check in the amount of \$5,000 to Mayor Riley as a donation towards playground equipment for children with special needs to be installed in the Raymond Rimkus Park. He was also joined by fellow Rotarians, Councilman Manea and City Manager Lambert for the presentation. Mr. LeGris announced that the grand opening of the new playground area is expected in August 2007 and thanked the City for its work in developing the playground. Mayor Riley and Council thanked the Rotary club membership for its contribution.

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**Presentation to Leon Valley Police Chief Randall Wallace, recent graduate of the
Leadership Command College from the Bill Blackwood Law Enforcement Management
Institute of Texas (Mayor Riley).**

Mayor Riley presented a Certificate of Recognition and desk clock to Police Chief Randall Wallace congratulating him, on behalf of the City Council, for his successful completion of the Leadership Command College of the Law Enforcement Management Institute of Texas.

Chief Wallace thanked the Mayor and Council for the opportunity to attend the courses and thanked the City Manager and staff for their assistance. He provided a brief explanation of the courses taken and the phases of the College.

**Presentation to winners in Green Bin Instant Win Program, part of the "Leon Valley
Recycles" program (Mayor Riley).**

Mayor Riley presented Mrs. Stanton and Mr. and Mrs. Adan Flores with checks in the amount of \$50 as the most recent winners in the Green Bin Instant Win program. All thanked the Mayor and Council and expressed their support of the recycling program in Leon Valley.

Citizens to be heard and time for objections to the Consent Agenda.

Mayor Riley asked Council if they wished for any item to be removed from the Consent Agenda for further discussion. Hearing no one, Mayor Riley then asked if anyone in the audience wished to address the Council. Seeing no one, Mayor Riley asked for a motion on the Consent Agenda.

Consent Agenda

**Consider M&C # 07-01-07 - Approval of appointment of an additional member to
the Citizen Neighborhood Progress Committee (CNPC) (Reyna).**

A motion was made by Councilman Manea, seconded by Councilmember Baldrige, to approve the Consent Agenda item as presented on the Council agenda. Upon unanimous vote, the motion carried.

Action Agenda

**Consider M&C # 07-02-07 - Approval of appointment of an external, independent Certified
Public Accounting Firm to provide audit services to the City (Wallace).**

City Accountant Wallace addressed Council stating that proposals were solicited from qualified certified public accounting firms to audit the City's financial statements for the fiscal year ending September 30, 2007. She explained that proposals were sent to eight firms and four proposals were received by the City. Ms. Wallace reviewed the summarized tabulation of costs and the number of hours the firms had put into their proposals. She noted that the lowest proposal was for \$16,150 from the firm of Holtman, Wagner & Company, L.L.P.

Holtman, Wagner & Company representative Pat Wagner answered questions from Council confirming that if their company was contracted for the service, the City pays only the amount

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stated in the contract, even if the audit takes more hours than the firm estimated. Ms. Wagner explained that she has more than 30 years' experience with auditing and had very experienced staff and felt that her estimate of the time it should take to complete the City's annual audit would be correct.

Ms. Wallace clarified that the contract would be awarded for a one-year term and added that the City reserves the right to evaluate the audit services each year and will execute a separate engagement contract for each of the four subsequent fiscal years, based upon the firm's annual performance.

Following Council discussion, a motion was made by Councilmember Dean, seconded by Councilmember Nelson, to approve the appointment of Holtman, Wagner & Company, LLP as presented and authorize the City Manager to execute the engagement contract with the firm. Upon vote, the motion carried.

Consider M&C # 07-03-07 with attached ordinance - Approval of purchase of modular ambulance and chassis from Frazer, LTD. , and approval of a Fire Department budget adjustment to allow for the ambulance purchase (\$141,050) (Irwin).

Fire Chief Irwin addressed Council asking approval to purchase an ambulance manufactured by Frazer, Ltd. through the Houston-Galveston Council of Governments contract and to amend the current fiscal year budget. He explained that the 1999 ambulance was to be replaced in FY 2008, but that replacement was accelerated because of increasing maintenance costs and reliability issues for the vehicle. He stated that the cost for the ambulance is \$31,500 more than was budgeted although staff had worked to reduce the final cost by more than \$15,000 by deleting some specification requests. Chief Irwin noted that proceeds from the sale of the old ambulance would be returned to the General Fund. He stated that the higher cost for the new ambulance was a result of increased manufacturing costs, emissions regulations required on the chassis, a better designed air conditioning system for the unit, and some modifications for cabinet space for ambulance equipment. The Chief stated that the \$31,050 shortfall would come from the Capital Project Reserves in the General Fund.

Following Council discussion, a motion was made by Councilmember Dean, seconded by Councilman Reyna, to approve the purchase of the ambulance and the associated budget adjustment request, as presented. Upon vote, the motion carried.

Consider Resolution appointing additional members to the Bandera Road Site Community Advisory Group.

Mayor Riley asked Council to consider tabling this item on the agenda until she could contact additional individuals for appointment.

A motion was made by Councilman Reyna, seconded by Councilmember Dean, to table this agenda item to a date uncertain. Upon vote, the motion carried.

Discussion Agenda

Discussion on using attorney services for delinquent warrant collections (Carri Wells).

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Mayor Riley explained that during the City Council meeting of June 19, 2007, when law firms were reviewed for handling delinquent tax accounts, it was discovered that one of those firms also handles delinquent warrant collections and they were asked to return to make a presentation to Council on their services.

Carri Wells, Director of Operations for Linebarger Goggan Blair & Sampson, LLP, addressed Council providing an overview of the services their firm can provide as another tool in the City's process to collect on delinquent warrants. Ms. Wells explained that their firm charges 30% on all accounts placed with their firm for collection, and the City can defray the cost of collection on all adjudicated cases and those unadjudicated cases dated after June 18, 2003 by adding the service charge to the balance due on the warrant cases. She stated that their firm researches defendants with outstanding cases from the court and sends collection letters that direct the client to make payment to the City and the firm will invoice the City based on data provided by the City that reflects payments made on accounts placed with their firm for collection. Ms. Wells stated the City would need to pass a resolution to activate the program with their firm.

Mayor Riley asked about defraying the cost of the attorney services for warrants dated before 2003 and Ms. Wells confirmed that the City would be responsible for the 30% fee.

Mr. Lambert stated that many of our outstanding warrants are over seven years old and asked Ms. Wells what their success rate was for collecting on those older warrants. Ms. Wells explained that they would always want to annually find those people with older outstanding warrants but did not provide any success rate statistics.

Following discussion, Councilmember Reyna asked Ms. Wells to forward a copy of the sample resolution needed for Council to consider any action on using their firm for delinquent warrant collection.

Discussion on revising Rules of Conduct for City Council Meetings (Mayor Riley).

Mayor Riley stated that during the Council workshop of June 16, 2007, Council discussed changing the Rules of Conduct for City Council which were established in 2006. Council discussed changes recommended. Mayor Riley stated that it was important for citizens to have the opportunity to speak to their Council when they take the time to come to a Council meeting. Mayor Riley stated that these rules would be local rules to help the meetings run smoothly.

Mayor Riley announced that a public hearing would be held at the next City Council meeting when Council will formally consider changes to be made to the meeting conduct rules.

Discussion of City Council Liaison Duties (Mayor Riley)

Mayor Riley opened discussion on the duties of City Council Liaisons to appointed boards, commission, or committees. Mayor Riley stated that City Council had discussed these duties during their June 16, 2007 workshop.

Mayor Riley stated that duties for Liaisons at meetings of committees could include: observing, answering questions, supporting the work of the committee, providing checks and balances, but

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she stated that the Liaison does not serve as an officer on the board, committee, or commission.

Council discussed whether liaisons were actually needed for all appointed boards, committees, or commissions and by consensus, Council agreed that the committees, board, and commissions should be asked if they want a liaison and then the Mayor can assign a liaison as needed. Mayor Riley agreed that a letter would be sent to each committee chair to ask if they would like a Council Liaison assigned to their committee and she would bring the information back to the Council after she heard from the Committee chairs.

City Manager's report (Lambert).

City Manager Lambert stated that the 4th of July parade would be canceled at 10 a.m. if it rainfall was heavy and he informed Council that there was no alternate date scheduled for the parade. He reminded Council to be at the parade staging area at 9:30 a.m. in the morning.

Presentation of copy of proposed FY 2008 Annual Operating Budget and delivery of City Manager's FY 2008 Budget Message

City Manager Lambert reviewed the City Manager's FY 2008 Annual Operating Budget Message and provided a brief overview of the expected increases in expenditures, budgetary cuts proposed, and actions being taken by staff to have no increase in premiums paid by the City for employee group health insurance. He stated that, as was included in the FY 2007 Budget, he has included a 2.5% reduction in employee salary costs anticipating turnover in staff next year. He stated that he was not proposing an increase in the ad valorem tax rate but did include a 2% COLA raise for employees which would cost approximately \$103,000. Mr. Lambert stated that the Code Enforcement Officer position was proposed to be reduced to a part time position. He stated that the City has been notified that the workers' compensation costs will be increasing by over 56%. He noted that the City expects an increase in property and liability insurance of about 10%. Mr. Lambert stated that new construction has increased ad valorem income to the City for the proposed budget year.

Each member of City Council was given a copy of the FY 2008 Annual Operating Budget to review.

Mayor Riley announced the two budget workshop dates to be held in August 2007. The City Secretary advised Council that the Council had passed a change to the first meeting date for August due to the National Night Out and the first meeting was to be held on the first Wednesday of the month, rather than the first Wednesday following National Night Out.

Mayor Riley asked if Council could change the meeting date of August 1st to August 8th since Council had already discussed the meeting dates during their workshop. The City Attorney stated that Council could vote to change the meeting dates.

Councilman Reyna asked if the item for vote needed to be placed on the next City Council meeting agenda and the City Attorney stated that since it was question on the budget, a motion could be made now.

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A motion was made by Councilman Reyna, seconded Councilmember Dean, to move the first regular City Council meeting of August 2007 to August 8, 2007.

Mayor Riley announced the dates of the two public hearings on the FY 2008 Annual Operating Budget as being Wednesday, August 8, 2007 and Tuesday, August 21, 2007. City Manager Lambert announced that staff would also propose a one-cent tax increase for the purchase of a new ladder fire truck.

Citizens to be heard.

No one appeared.

Announcements by Councilmembers and Mayor.

City Attorney Jacobson wished everyone a happy 4th of July.

Mayor Riley announced that she and the City Manager met with representatives from both the Metropolitan Planning Organization (MPO) and VIA. She stated that they were told that there was no money budgeted in the MPO budget through 2035 for Bandera Road improvements except for toll funding. She stated that they asked VIA to consider Leon Valley in their future mass transit plans for Rapid Bus Transit through Leon Valley.

Mayor Riley reminded everyone about the Live Earth Concert which would be televised and could be seen on July 7th. She explained that the program was to build awareness of the global warming crisis.

She wished everyone a happy 4th of July and reminded them about the parade scheduled to begin at 10 a.m.

Adjourn.

After asking if there was any other business or any comments, Mayor Riley accepted a motion, made by Councilman Reyna, seconded by Councilmember Dean, to adjourn the meeting. Mayor Riley announced the meeting adjourned at 8:46 p.m.

ATTEST:

Chris Riley
Mayor

Marie Feutz
City Secretary

Approved by vote of City Council at the Regular City Council Meeting of July 17, 2007